

FEASIBILITY REPORT

For The Issuance of

**Not to Exceed
\$1,060,000 Principal Amount**

OF

**EASTMARK
COMMUNITY FACILITIES DISTRICT NO. 1
(MESA, ARIZONA)**

**ASSESSMENT DISTRICT NO. 5
SPECIAL ASSESSMENT REVENUE BONDS**

Public Hearing Date: November 12, 2015

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SECTION ONE

INTRODUCTION; PURPOSE OF FEASIBILITY REPORT; GENERAL DESCRIPTION OF DISTRICT

INTRODUCTION

This Feasibility Report (the “Report”) has been prepared for presentation to the Board of Directors of the Eastmark Community Facilities District No. 1 (Mesa, Arizona) (the “District”) in connection with the proposed issuance by the District of its Assessment District No. 5 Special Assessment Revenue Bonds (the “Bonds”) in a principal amount of not to exceed \$1,060,000, pursuant to the Community Facilities Act of 1989, Title 48, Chapter 4, Article 6 of Arizona Revised Statutes (the “Act”).

PURPOSE OF FEASIBILITY REPORT

This Report has been prepared for consideration of the feasibility and benefits of the Public Infrastructure (as defined in A.R.S. 48-701) to be financed by the Bonds and of the plan for financing such Public Infrastructure in accordance with the provisions of A.R.S. 48-715. Pursuant to A.R.S. 48-715, this Report includes (i) a description of the Public Infrastructure to be financed - Section Two; (ii) a map showing, in general, the area to be benefitted by the Public Infrastructure - Section Three; (iii) an estimate of the cost to acquire, operate and maintain the Public Infrastructure and a timetable for the acquisition of the Public Infrastructure - Section Four; and (iv) a plan for financing the Public Infrastructure - Section Five.

This Report has been prepared for the consideration of the Board of Directors of the District only. It is not intended or anticipated that this Report will be relied upon by other persons, including, but not limited to, purchasers of the Bonds. This Report does not attempt to address the quality of the Bonds as investments or the likelihood of repayment of the Bonds. In preparing this Report, financial advisors, appraisers, counsel, engineers, City staff and other experts have been consulted as deemed appropriate.

GENERAL DESCRIPTION OF THE DISTRICT

Formation of the District was approved by the City of Mesa (the “City”) on April 2, 2012 upon the request of DMB Mesa Proving Grounds, LLC (the “Developer”). The District consists of approximately 2,170 acres of the 3,164-acre project formerly known as the Mesa Proving Grounds (the “Project”). The Project is located east of the 202 freeway generally bounded by Elliot Road to the north, Williams Field Road to the south, Ellsworth Road to the west, and Signal Butte Road to the east. Construction on the Project commenced in August, 2012. As of August, 2015, homebuilders have closed 767 single family residential units within the Project. Single family residential units represent approximately 2,040 acres within the Project.

The real property comprising Assessment District No. 5 consists of approximately 303 lots and approximately 93 acres. The following chart characterizes the approximate acreage within the District as well as the acreage within Assessment District No. 5, which is fully within the boundaries of the District.

<u>Total Project</u>	<u>Approximate District Acres</u>	<u>Approximate Assessment District No. 5 Acres</u>
Single Family Residential	2,040	55
Non-Residential *	<u>130</u>	<u>38</u>
Total	2,170	<u>93</u>

* Includes churches, police, fire, SRP, schools, civic, commercial, right-of-ways, and open space

The District was created to assist with the financing of the acquisition of Public Infrastructure within the District. See Section Two for a description of the Public Infrastructure to be financed by the proceeds of the Bonds. Legal descriptions of the District and of Assessment District No. 5 are included in Appendix 1. Maps of the District and Assessment District No. 5 are included in Section Three. The proposed acquisition of the Public Infrastructure as defined in this Report is consistent with the City's and the District's approved General Plan for the Project.

SECTION TWO

DESCRIPTION OF PUBLIC INFRASTRUCTURE

DESCRIPTION OF PUBLIC INFRASTRUCTURE

The Public Infrastructure subject to this Feasibility Report has been publicly bid pursuant to state statute and District guidelines and will be financed by the Bonds and/or subsequent bond issues and other sources, if necessary. It is expected that the Public Infrastructure listed below will be acquired from the Developer with estimated cost and construction timing as noted.

<u>DESCRIPTION</u>	<u>ESTIMATED COST *</u>	<u>COMPLETION **</u>
1. Eastmark Parkway Continuation of the previously existing Eastmark Parkway, which was constructed as part of the Assessment District No. 3. Construction of a new roadway within the District consisting of approximately ¾ mile of full street improvements. These improvements include sewer, sewer manholes, water, non-potable water, water valves, fire hydrants, storm drain, storm drain manholes, concrete catch basins, storm drain bleed lines, vertical concrete curb and gutter, concrete sidewalk, concrete ramps with truncated domes, paving, striping, street lights, public signage, hardscape, landscaping and irrigation. The roadway consists of four paved driving lanes made up of 5 ½ inches of asphaltic concrete over 10 inches of aggregate base course, together with vertical curb for the raised/landscaped median. All improvements are shown on the approved plans dated 4-4-14 by the City of Mesa, which may be amended from time to time to allow for additional property uses adjacent to Eastmark Parkway that are not yet known.	\$3,734,497	January 2015
TOTAL:	\$3,734,497	

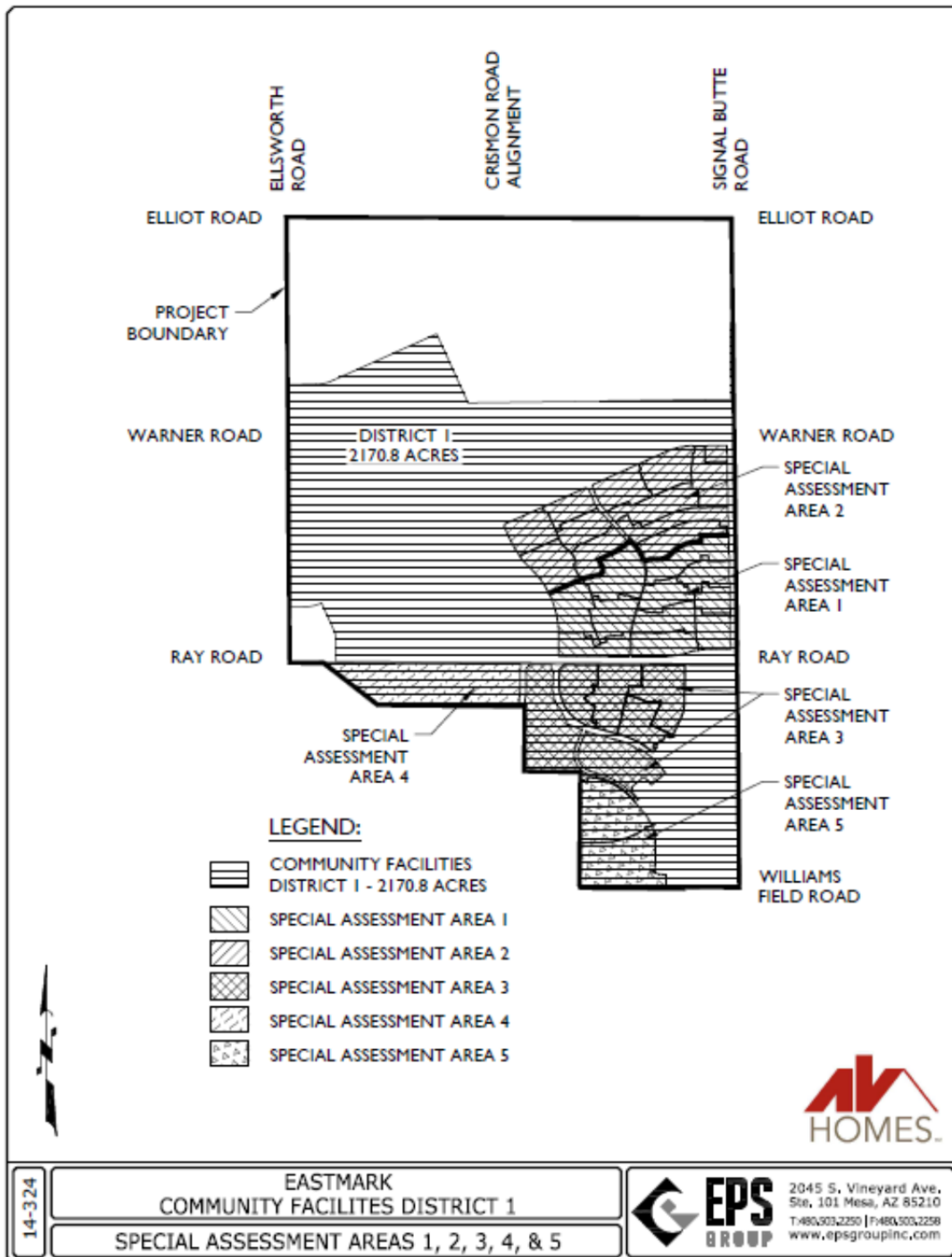
* Based on contract bids by the District in May, 2014. A portion of the estimated costs was financed with a prior special assessment bond issue.

** Completion represents the date by which the Developer expects the Public Infrastructure to be constructed, which may differ from the date that it is accepted by the District/City.

SECTION THREE

MAP OF THE DISTRICT AND MAP OF ASSESSMENT DISTRICT NO. 5

The District



Assessment District No. 5



SECTION FOUR

**ESTIMATE OF COST AND TIMETABLE FOR
ACQUISITION OF PUBLIC INFRASTRUCTURE**

ESTIMATE OF COST AND TIMETABLE FOR ACQUISITION OF PUBLIC INFRASTRUCTURE

The table in Section Two outlines the cost estimate and completion dates for the construction of the Public Infrastructure. Proceeds of the Bonds, after payment of the costs of issuance, will be used to finance the acquisition of all or a portion of the Public Infrastructure projects listed in Section Two.

Listed below is an estimated draw schedule of the proceeds of the Bonds for the acquisition of the Public Infrastructure.

Public Infrastructure Project	Estimated Acquisition Price *	Completion Date **	Funds Draw Date
Eastmark Parkway	\$3,734,497	Jan 2015	Jan 2016
Total	\$3,734,497		

* Based on contract bids by the District in May, 2014. A portion of the estimated acquisition price was financed with a prior special assessment bond issue.

** Completion represents the date by which the Developer expects the Public Infrastructure to be constructed, which may differ from the date that it is accepted by the District/City.

SECTION FIVE

PLAN OF FINANCE

PLAN OF FINANCE

Below is a financing plan that describes the process for financing a portion of the Public Infrastructure benefiting the property within Assessment District No. 5. This Plan of Finance is subject to modification to accommodate market conditions at the time of the actual sale of the bonds and to the extent necessary to comply with federal and State law.

(i) Formation and Authorization.

In response to a petition from the Developer, the City Council formed the District on April 2, 2012. As contemplated by the District Development, Financing Participation, Waiver and Intergovernmental Agreement, the District has the authority to issue Assessment Bonds.

(ii) Proposed Debt.

The estimated debt service schedule for the Special Assessment Revenue Bonds is attached in this section as Table One. It is anticipated that the Bonds will be sold and delivered in January 2016. The Bonds will not be rated by any rating agency.

(iii) Per Lot Assessment Amount.

The per lot assessment amount is expected to be no more than \$3,500 at the time of issuance of the Bonds. The Developer currently expects that at the time of sale of a home to the buyer, this amount will be assumed by the homebuyer and the assessment payments made over time. The approximate \$3,500 per home assessment results in an annual assessment payment of approximately \$300 per home, or \$25 per month. The special assessments will be collected on behalf of the District by the Maricopa County Treasurer's Office.

(iv) Estimated Sources and Uses of Funds.

The proceeds of the Bonds will be applied by the District to finance all or a portion of the Public Infrastructure listed in Section Two of this Report. The estimated sources and uses of funds related to the sale of the Bonds is:

SOURCES:

Principal amount of Bonds	\$1,060,000
Developer Contribution	<u>39,400</u>
Total	<u>\$1,099,400</u>

USES:

Cost of Public Infrastructure	\$839,557
Debt Service Reserve Fund	81,343
Costs of Issuance *	<u>178,500</u>
Total	<u>\$1,099,400</u>

* Estimated Costs of Issuance

Underwriter's Discount	\$ 50,000
Bond Counsel	50,000
Underwriter's Counsel	30,000
Financial Advisor	30,000
Appraisal Fee	7,500
Registrar & Paying Agent	2,000
Printing	4,000
Miscellaneous	5,000
	<u>\$178,500</u>

(v) Value to Lien Ratio.

Included as Appendix 2 is a summary of the appraisal relating to the parcels to be included in Assesment District No. 5, prepared by Schnepf Ellsworth Appraisal Group, LLC on October 28, 2015. The appraisal demonstrates a value-to-lien ratio of a per lot basis in excess of 8-to-1. A complete copy of the appraisal report is available upon request.

(vi) Disclosure of Assessment Payments.

A.R.S. 32-2181 *et seq.* requires the disclosure of all property taxes and assessments to be paid by a homeowner in the Arizona Department of Real Estate Subdivision Public Report (the "Public Report"). Each homebuyer must be supplied a Public Report and, prior to any home sale, the homebuyer must acknowledge by signature that they have read and accepted the Public Report.

In addition, homebuilders within the Project will require the homebuyer to sign an additional form that highlights and discloses the additional assessment payments as a result of District financing.

(vii) Operation and Maintenance of the Public Infrastructure

All infrastructure financed by the District will be dedicated to and accepted by the City. The obligations pertaining to the operation and maintenance of the Public Infrastructure have been negotiated between the City, the District and the Developer and are set forth in the various development agreements among the parties. The administrative costs of the District and those costs associated with the operation and maintenance of the Public Infrastructure which are not the obligation of the City will be provided by several sources of funds: the levy of a \$.30 tax in the District, Homeowner's Association fees and Developer contributions.

The administrative costs of the District are provided by several sources of funds: the levy of a \$.30 tax in the District, master Homeowner's Association fees and Developer contributions. The operation and maintenance of the landscape tracts appurtenant to the Public Infrastructure is the obligation of the Encore Homeowner's Association.

(viii) **Other District Information**

Shown in the table below is the District's overlapping general obligation bonded indebtedness including a breakdown of each overlapping jurisdiction's applicable general obligation bonded indebtedness, net assessed valuation and combined tax rate per \$100 assessed valuation.

Jurisdiction	2015-16 Net Assessed Limited Property Valuation	General Obligation Bonded Debt Outstanding (a)	Portion Applicable to the District		Combined Tax Rate Per \$100 Assessed Valuation (b)
			Percent	Net Debt Amount	
State of Arizona (c)	\$55,352,051,074	None	0.044%	None	\$0.0000
Maricopa County (d)	34,757,248,273	None	0.054%	None	2.3615
Maricopa County Community College District	34,757,248,273	\$593,820,000	0.054%	\$322,114	1.5187
Eastern Valley Institute of Technology District No. 401 (EVIT)	15,331,223,204	None	0.123%	0	0.0500
Queen Creek Unified School District No. 95	305,980,563	60,000,000	6.152%	3,691,338	6.5475
Gilbert Unified School District No. 41	1,590,164,644	101,545,000	0.002%	1,868	7.2284
City of Mesa	2,764,329,659	337,190,000	0.682%	2,299,776	1.1853
Eastmark Community Facilities District No. 1 (e)	18,853,879	9,985,000	100.000%	9,985,000	3.4397
Total Net Direct and Overlapping General Obligation Bonded Debt				<u>\$16,300,097</u>	

- (a) Includes total stated principal amount of general obligation bonds outstanding. Does not include outstanding principal amount of certificates of participation, revenue obligations or loan obligations outstanding for the jurisdictions listed above. Does not include outstanding principal amounts of various County improvement districts, as the obligations of these districts are presently being paid from special assessments against property within the various improvement districts.

Also excludes the principal amount of improvement districts' bonds outstanding of various jurisdictions that are secured by special assessments levied against property owners residing within the respective improvement districts. Bonds supported from enterprise revenues are also excluded. Also does not include the obligation of the Central Arizona Water Conservation District ("CAWCD") to the United States of America, Department of the Interior, for repayment of certain capital costs for construction of the Central Arizona Project ("CAP"), a major reclamation project that has been substantially completed by the U.S. Department of the Interior to deliver Colorado River water to central Arizona down to Tucson. The obligation is evidenced by a master contract between CAWCD and the Department of the Interior. CAWCD was formed for the express purpose of paying administrative costs and expenses of the CAP and to assist in the repayment to Arizona's portion of the costs reimbursable to the federal government. Repayment will be made from a combination of power revenues, subcontract revenues (i.e., agreements with municipal, industrial and agricultural water users for delivery of CAP water) and a tax levy against all taxable property within CAWCD's boundaries. The tax levy is limited to 14 cents per \$100 of Net Assessed Limited Property Value, of which 14 cents is being currently levied. (See A.R.S. 48-3715 *et seq.*) There can be no assurance that such levy limit will not be increased or removed at any time during the life of the contract. CAWCD is a multi-county water conservation district having boundaries coterminous with the exterior boundaries of Arizona's Maricopa, Pima and Pinal Counties. It was formed for the express purpose of paying administrative costs and expenses of the CAP and to assist in the repayment to the United States of the CAP capital costs.

This table also does not include the obligation of the Maricopa County Flood Control District to contribute \$80 million to CAP. The Flood Control District's sole source of revenue to pay the contribution will be raised from *ad valorem* taxes.

- (b) The combined tax rate includes the tax rate for debt service payments and the tax rate for all other purposes such as maintenance and operation and capital outlay.
- (c) The figure shown in the column labeled "Net Assessed Limited Property Valuation" for the State is the fiscal year 2014-15 Net Assessed Secondary Value as the 2015-16 "Net Assessed Limited Property Value" for the State is not yet available.
- (d) The County's tax rate includes the \$0.1856 tax rate of the Maricopa County Health Care District, the \$0.1392 tax rate of the Maricopa County Flood Control District, the \$0.0556 tax rate of the Maricopa County Free Library, the \$0.0113 tax rate for the contribution to the Maricopa County Fire District, the \$0.5089 tax rate of the County Education Equalization described in the last paragraph under "Primary Taxes" above and the \$1.3209 tax rate of the County. It should be noted that the County Flood Control District does not levy taxes on personal property.
- (e) Does not include special assessment revenue bonds outstanding in the aggregate principal amount of \$8,772,000 or other special assessment revenue bonds expected to be issued by the District in 2016.

The estimated net full cash value and, as applicable, the net assessed limited property value or net assessed secondary value of taxable property within the boundaries of the District for the indicated tax years are shown in the table below:

Property Valuations for Fiscal Year 2015-16

Estimated Net Full Cash Value (a)	\$198,621,224
Net Assessed Limited Property Value	\$ 18,853,879

Property Valuations for Fiscal Year 2014-15

Estimated Net Full Cash Value (a)	\$54,606,979
Net Assessed Secondary Value	\$ 7,997,436

Property Valuations for Fiscal Year 2013-14

Estimated Net Full Cash Value (a)	\$4,263,851
Net Assessed Secondary Value	\$ 682,217

TABLE ONE
PRELIMINARY DEBT SERVICE SCHEDULE

Date	Principal	Interest	Total Debt Service
07/01/2016		\$22,341	\$22,341
07/01/2017	\$25,000	52,568	77,568
07/01/2018	25,000	51,993	76,993
07/01/2019	30,000	51,343	81,343
07/01/2020	30,000	50,473	80,473
07/01/2021	30,000	49,543	79,543
07/01/2022	30,000	48,493	78,493
07/01/2023	30,000	47,323	77,323
07/01/2024	35,000	46,063	81,063
07/01/2025	35,000	44,523	79,523
07/01/2026	35,000	42,948	77,948
07/01/2027	40,000	41,338	81,338
07/01/2028	40,000	39,418	79,418
07/01/2029	40,000	37,458	77,458
07/01/2030	45,000	35,458	80,458
07/01/2031	45,000	33,118	78,118
07/01/2032	50,000	30,733	80,733
07/01/2033	50,000	28,033	78,033
07/01/2034	55,000	25,283	80,283
07/01/2035	55,000	22,258	77,258
07/01/2036	60,000	19,178	79,178
07/01/2037	65,000	15,818	80,818
07/01/2038	65,000	12,113	77,113
07/01/2039	70,000	8,375	78,375
07/01/2040	75,000	4,350	79,350
	\$1,060,000	\$860,531	\$1,920,531

Reviewed and accepted by:

DMB Mesa Proving Grounds, LLC

By: _____

Name: _____

Its: _____

APPENDIX 1

LEGAL DESCRIPTION FOR EASTMARK COMMUNITY FACILITIES DISTRICT NO. 1 ASSESSMENT DISTRICT NO. 5

EXHIBIT A

LEGAL DESCRIPTION

LOTS 1 THROUGH 158 INCLUSIVE, ENCORE AT EASTMARK, PARCEL 9-4, ACCORDING TO THE SUBDIVISION PLAT RECORDED IN BOOK 1241 OF MAPS, PAGE 22, OFFICIAL RECORDS OF MARICOPA COUNTY, ARIZONA.

LOTS 1 THROUGH 145 INCLUSIVE, ENCORE AT EASTMARK, PARCEL 9-5, ACCORDING TO THE SUBDIVISION PLAT RECORDED IN BOOK 1241 OF MAPS, PAGE 21, OFFICIAL RECORDS OF MARICOPA COUNTY, ARIZONA.

APPENDIX 2

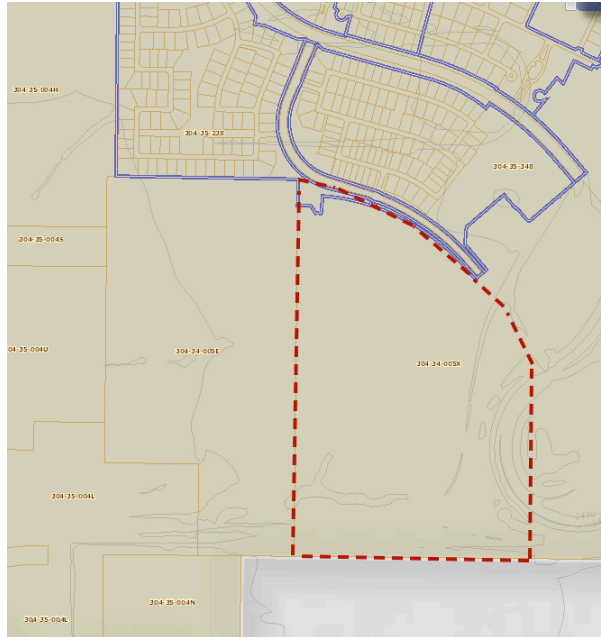
SUMMARY OF APPRAISAL FOR ASSESSMENT

DISTRICT NO. 5

An Appraisal Report of the Market Value of the fee simple interest

Eastmark Community Facilities District #1, Special Assessment District #5

Phase 2 Parcels 9-4 and 9-5, south of Eastmark Parkway within the Encore at Eastmark
Masterplanned Development, Mesa, Maricopa County, AZ



Prepared For:
City of Mesa
20 East Main Street
Suite 400
Mesa, AZ 85001

Inspection Date: September 23, 2015
Valuation Date: September 23, 2015



Prepared by:
Real Estate Appraisers/Consultants P.O. Box 2829, Mesa, Arizona, 85214
Phone 480.497.1113 E-mail larry@schnepfellsworth.com
Job # 15-1713 Copy 1 of 1 Copyright 2015 by Schnepf Ellsworth Appraisal Group LLC



Real Estate Appraisers/Consultants P.O. Box 2829, Mesa, Arizona, 85214
Phone 480.497.1113 E-mail larry@schnepfellsworth.com

October 28, 2015

File No. 15-1713

City of Mesa
20 East Main Street
Suite 400
Mesa, AZ 85001

RE: Eastmark Community Facilities District #1, Special Assessment District #5 Phase 2
Parcels 9-4 and 9-5, south of Eastmark Parkway within the Encore at Eastmark
Masterplanned Development, Mesa, Maricopa County, AZ

Dear Sirs:

In accordance with the City of Mesa's request and authorization thereby for a Appraisal Report of the subject property, a vacant single-family residential subdivision site located on the Phase 2 Parcels 9-4 and 9-5, south of Eastmark Parkway within the Encore at Eastmark Masterplanned Development, Mesa, Maricopa County, AZ, we hand you a narrative appraisal that describes and identifies methods of approach and valuation. The ownership, legal description, and identification of the property are set forth in the following report.

The purpose of this appraisal is to estimate the Market Value of the fee simple interest Market Value of the fee simple interest as of September 23, 2015. The date of initial inspection of the property was September 23, 2015. The intended users of this report are The City of Mesa (Client and Intended User), the underwriter RBC Capital Markets, the district financial advisor Wedbush Securities Inc, and district counsel Gust Rosenfeld P.L.C. (Intended Users). The intended use (function) of this appraisal will be in conjunction with the sale of tax-exempt assessment bonds, the proceeds of which will be used to finance public infrastructure within the Eastmark Community Facilities District No. 1 – Special Assessment District No. 5.

The value estimates are subject to the Underlying Assumptions and Contingent Conditions. The client is City of Mesa. This report details those pertinent physical and nonphysical factors relevant to the subject property. Information about the region in which the property is located, the subject neighborhood, site, highest and best use, and valuation methods and techniques are discussed in detail in the report that follows. Further, the value(s) reported are intended to conform with Code of Ethics and Standards of Professional Practice of the Appraisal Institute; the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of the Appraisal Foundation and the Appraisal Institute, the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), Title XI Regulations, appraisal guidelines.

It is prepared for the above stated purpose and function and is not to be used, given, sold, transferred, or relied upon by any other person or persons than the client without the prior express written permission of the authors. Inclusion of the appraisal (or parts thereof) within the Official Statement will be allowed but the Intended User(s) as long as the entire appraisal is referenced and pages included are not taken out of context.

The reader is also directed to the fact that the report is under copyright and any use, in whole or part, by anyone except the addressee is expressly prohibited. *"Market Value"* is defined in the body of the report on page 20. For purposes of this analysis, Marketing Time is estimated at 9 to 12 months.

On the basis of data in the body of the report, we have concluded to a final estimate of the Market Value of the fee simple interest as of September 23, 2015, with an inspection date of September 23, 2015, subject to Underlying Assumptions, Limiting and Hypothetical Conditions contained in this report, my opinion is as follows:

Parcel	Total Lots	As Is Per lot	As Is Parcel Value	As If Complete Per lot	As If Complete Parcel Value
9-4	158	\$29,000	\$4,582,000	\$72,500	\$11,455,000
9-5	145	\$29,000	\$4,205,000	\$72,500	\$10,512,500

Respectfully submitted,
Schnepf Ellsworth Appraisal Group LLC

A handwritten signature in blue ink, appearing to read "Larry Schnepf", with a stylized flourish at the end.

Larry D. Schnepf, MAI, SRPA
Certified Arizona General Real Estate Appraiser
Certificate # 30284, expires 8/31/2016

The executive summary is used with permission of the author and is incorporated into the entire report by reference. The executive summary is subject to the Underlying Assumptions and Limiting Conditions and Extraordinary Assumptions and Hypothetical Conditions identifies in the full report.

To be fully understood, this appraisal is to be used only in its entirety and no part is to be used without the whole report. All conclusions and opinions concerning the analysis that are set forth in the report were prepared by the appraiser whose signature appear on the appraisal report." No change of any item in the report shall be made by anyone other than the appraisers, and the appraisers and associated company shall have no responsibility if any such unauthorized change is made.

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Executive Summary

<i>Type of Property:</i>	The subject consists of vacant single-family residential subdivision site
<i>Type of Report:</i>	Appraisal Report
<i>Class:</i>	single-family residential subdivision land
<i>Job No.:</i>	15-1537
<i>Job. Name:</i>	Eastmark Community Facilities District #1, Special Assessment District #5
<i>Location:</i>	The subject is located south of Eastmark Parkway within the Encore at Eastmark Masterplanned Development, Mesa, Arizona.
<i>Legal Description:</i>	A full legal description is included within the report. The legal description was obtained from public records.
<i>Statement of Ownership:</i>	Documents detailing the ownership retained in the addenda. Ownership is currently in the name of AV EM LLC (Parcel 9-4, 9-5). The subject is being developed to a stage that includes finished infrastructure (utilities, paved streets, curbs, gutters and sidewalks) at which point homebuilders will take possession of the bulk site that will consist of between 145 and 158 lots. As of the date of the appraisal, the following was provided to the appraiser.
<i>Form of Ownership:</i>	Fee Simple Interest
<i>Property Rights Appraised:</i>	Market Value of the fee simple interest.
<i>Intended User/Intended Use (Function) of the Report:</i>	The intended users of this report are The City of Mesa (Client and Intended User), the underwriter RBC Capital Markets, the district financial advisor Wedbush Securities Inc, and district counsel Gust Rosenfeld P.L.C. (Intended Users). The intended use (function) of this appraisal will be in conjunction with the sale of tax-exempt assessment

bonds, the proceeds of which will be used to finance public infrastructure within the Eastmark Community Facilities District No. 1 – Special Assessment District No. 5.

Improvements Summary: The subject consist of 2 master-platted parcels consisting of 303 planned lot within the Eastmark Unit 9 Development.

Assessor's Parcel:

Eastmark Parcel # 9-4	Acres	Lots	Lot Numbers	Parcel Numbers
Lots	31.17	158	1 to 160	Part of 304-35-004P
City Right-of-Way PS Tract	6.04			
Park/Retention Tracts (A thru G)	5.85		Tract A to G	Part of 304-35-004P
Total	43.06	158		

Eastmark Parcel # 9-5	Acres	Total # of Lots		
Lots	23.42	145	1 to 145	Part of 304-35-004P
City Right-of-Way PS Tract	12.96			
Park/Retention Tracts (A thru H)	13.83		Tract A to H	Part of 304-35-004P
Total	50.21	145		

Eastmark Parcel # 9-4 and 9-5	Acres	Total # of Lots		
Lots	54.59	303	0.18	Avg lot size
City Right-of-Way PS Tract	19.00			
Park/Retention Tracts (A thru-I)	19.68			
Total	93.27	303	3.249	Overall density/acre

Flood Zone Designation: Zone D, Panel number 04013C2705F, Unpublished.

Site Area: 93.27 acres

Zoning: PC, City of Mesa

Topography: The property is basically level. No soil report were provided to the appraisers.

Easements: Except for zoning restrictions, no other hazards or nuisances were noted which would adversely affect the subject site. The appraisers assume no conditions exist that would adversely affect title.

Nuisance and Hazards: No environmental reports were provided to the appraiser. No adverse environmental conditions were noted within this report. No known nuisances, hazards or environmental problems exist.

Highest and Best Use: As Is – Single-family residential

Marketing Time: 9 to 12 months

Unit Type: The most applicable site unit measurement is price per square foot.

Date of Inspection: September 23, 2015

Date of Valuation: September 23, 2015

Valuation Conclusions:

Parcel	Total Lots	As Is Per lot	As Is Parcel Value	As If Complete Per lot	As If Complete Parcel Value
9-4	158	\$29,000	\$4,582,000	\$72,500	\$11,455,000
9-5	145	\$29,000	\$4,205,000	\$72,500	\$10,512,500